

S E C R E T

INSPECTOR GENERAL

76-3186

OGC HAS REVIEWED.

20 OCT  
1976

Executive Registry

76-3745/1

DD/A Registry

76-5916

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM : John H. Waller  
Inspector General25X1A SUBJECT : [REDACTED] - Claim for  
Extraordinary Relocation Expenses1. Action Requested:25X1A You are requested to approve the recommendation in paragraph  
4 that the Agency pay [REDACTED] claim and sign the authorizing  
memorandum (at Attachment 3) to the Deputy Director for Administration.2. Background:25X1A [REDACTED] a DDO career officer, served a  
two-year tour as Chief of Station [REDACTED] from June 1972 to 25X1A  
October 1974. In January 1974, he was given a one-year tour exten- 25X1A  
sion until June 1975. On 16 August 1974 [REDACTED] was instructed to  
close the Station by 1 September and return to Headquarters on PCS.

25X1C

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E2, IMPDET  
CL BY 055636

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25X1A [REDACTED] decisions were complicated by a combination of family considerations:

25X1A His wife had undergone minor surgery late August-early September. There were uncertainties about her post-operative condition and the possible need for additional operations. Faced with these unknowns [REDACTED] had to arrange for the care of his wife and their five children, on return to the United States. He found that he could neither sell or reoccupy his house in the Washington area on such short notice, which raised serious questions in his mind about housing his family in the Washington area. He found that he could enroll some of his children in private schools in New Mexico, where he had family, the Washington area schools having already started the fall term.

25X1A [REDACTED] informed Headquarters of his intention to relocate his family to New Mexico and requested a waiver authorizing payment of expenses to New Mexico. Headquarters authorized shipment of household effects to Washington and requested formal justification through official channels for a waiver. [REDACTED] on 5 October with this matter unresolved.

25X1A

25X1A [REDACTED] discussed various claims arising from the Station closure with EUR Division, the ADDO, and the SSA/DDA. Some claims were handled by the Agency as operational costs, but his claim for Home Service Transfer Allowance (\$655.38) was turned down on 23 December 1975 as not allowable under [REDACTED] (This claim and the memorandum disallowing the claim is at Tab A of Attachment 1).

25X1A Agency administrative officials most familiar with this claim have expressed sympathy with [REDACTED] situation and have said that the claim should be paid if legally possible. One observed that the claim might be payable under the Director's discretionary authority [REDACTED] to pay for expenses "arising out of the unusual functions of this Agency..."; however, no action had been taken to consider this claim in this manner. We have consulted with OGC on the legality of payment of this claim. Their response to the detailed report in Attachment 1 and subsequent correspondence is at Attachment 2.

25X1A

1. At Tab C of Attachment 1

- 2 -

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S E C R E T

3. Staff Position:

25X1A We find that the [REDACTED] claim arose from the abrupt and  
unforeseen closure of the [REDACTED] Station and the unfortunate co-  
25X1C incidence of his wife's medical problems. His [REDACTED], and  
25X1A Headquarters instructions, prohibited his advising the official  
[REDACTED] and enlisting timely assistance in solving his  
problem. This resulted in [REDACTED] having to make immediate de-  
cisions on arrangements for the care of his wife and children on  
their return to the U.S. He was unable to make satisfactory  
arrangements on short notice in Washington while he could do so in  
New Mexico. He had to relocate to the U.S. before questions con-  
cerning these expenses could be resolved by Headquarters.

25X1C

25X1A It is clear that, if [REDACTED] had incurred similar expenses  
in the Washington area, they would have been paid by the Agency  
25X1A under the provisions of [REDACTED] which authorizes allowances "for  
extraordinary and necessary expenses incident to the establishment  
of his residence at a post in the United States..."<sup>1</sup> It is [REDACTED]  
25X1A [REDACTED] practice to limit payment of  
temporary lodging allowances under [REDACTED] to claims occurring  
in the proximate area of the PCS posting. There appears to be no  
statute or Comptroller General ruling supporting this interpretation  
and no specific definition of the limits of the "proximate area".  
OGC has issued the opinion that there is no legal basis for paying  
this claim, although this appears to be based on a different inter-  
pretation of the facts than our investigation has revealed.

25X1C

25X1C

Alternatively, we believe that payment of this claim could  
be made either under the provisions of [REDACTED] which permits  
the DDA to "authorize or approve any emergency, unusual, or addi-  
tional payment..." or, under the provisions of [REDACTED] which  
authorizes the DDA to "take final action on any matter arising out  
of the unusual functions of this Agency..."

25X1A

25X1A

4. Conclusion:

We disagree with the General Counsel's opinion as to the  
facts in this case. The prohibition on [REDACTED] advising his

25X1A

25X1C

1. With the [REDACTED] at Tab C, Attachment 1
2. At Tab C, Attachment 1

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S E C R E T

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25X1C [REDACTED] of his pending change, combined with the precipitous closing of the Station, deprived him of the chance to arrange his transfer on an orderly basis. Under the circumstances of his family requirements, [REDACTED] problem is emphasized by Headquarters' failure to respond to his request for timely advice. We have concluded that [REDACTED] plight resulted from the restraints of his [REDACTED] in combination with other considerations that otherwise would not have produced this situation.

5. Recommendation:

25X1A That you approve payment of [REDACTED] claim under the provisions of [REDACTED] and sign the memorandum to the DDA at Attachment 3 authorizing this payment.

25X1A

25X1A

John H. Waller

Attachments: a/s

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

25X1A Disapproved: [REDACTED] Date: 11/26/76

E. H. Knoche  
Deputy Director of Central Intelligence

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S E C R E T

S E C R E T

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25X1A

25X1A

John H. Waller

Attachments: a/s

Approved: \_\_\_\_\_

Date: \_\_\_\_\_

## Distribution:

- Original - Addressee w/atts.
- 3 - ER w/att. 3 only
- 1 - DDA w/att. 3 only ✓
- 1 - IG Chrono w/att. 3 only
- 1 - IG Subject w/atts.
- 1 - [REDACTED] Chrono w/att. 3
- 1 - OGC w/att. 3 only

25X1A

25X1A

OIG/[REDACTED]:aal

- 4 -

S E C R E T

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Attachment 3  
 Administrative Registry  
 76-3745

MEMORANDUM FOR: Deputy Director for Administration  
 FROM : E. H. Knoche  
 Deputy Director of Central Intelligence  
 25X1A SUBJECT : [REDACTED] - Payment of  
 Home Service Transfer Allowance Claim

25X1A I have reviewed [REDACTED] claim of 22 December  
 1975 and have judged it to result from activities arising  
 out of the unusual functions of this Agency. You are  
 authorized to pay this claim under the provisions of

25X1A [REDACTED]

E. H. Knoche

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## ROUTING AND RECORD SHEET

JECT: (Optional)

DD/A Registry

File Accounting 3-1

FROM: John H. Waller  
Inspector General  
2 E 24 Hqs.EXTENSION  
6565

NO.

R-1252

DATE

TO: (Officer designation, room number, and  
building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALSCOMMENTS (Number each comment to show from whom  
to whom. Draw a line across column after each comment.)1. Executive Registry  
ROOM: 7 E 12

20 Oct 76 mfb

2. [REDACTED]

3. DDCI

21 Oct

10/30 HU

4.

5.

EC/DDA

6. DD/A

ROOM: 7 D 18

7.

8. OIG

ROOM: 2 E 24

9.

25X1A

10.

11.

12.

13.

14.

Am sure DDCI will want  
your opinion. m

8. P/s advise MR.

[REDACTED] OF DDCI  
disapproval -

30 NOV 1976

FORM  
3-62

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